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August 14, 2007

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

Vaughn Sand; "D" Sand of the Cotton Valley Formation; Bodcaw Sand; Feazel Sand, Reservoir B; Middle Cotton Valley Zone, Reservoir A; Upper, Middle and Lower Hosston Zones; Hosston Zone, Reservoir A; and Cotton Valley Zone, Reservoir B; RUSTON FIELD, Lincoln Parish, Louisiana.

Dear Sir:

BEPCO, L.P. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Vaughn Sand; "D" Sand of the Cotton Valley Formation; Bodcaw Sand; Feazel Sand, Reservoir B; Middle Cotton Valley Zone, Reservoir A; Upper, Middle and Lower Hosston Zones; Hosston Zone, Reservoir A; and Cotton Valley Zone, Reservoir B; all in the Ruston Field, Lincoln Parish, Louisiana:

Bodcaw Sand; Feazel Sand, Reservoir B;  
Middle Cotton Valley Zone, Reservoir A;  
Upper, Middle and Lower Hosston Zones

1. To dissolve the unit shown on an attached plat and designated BOD SUO, created for the Bodcaw Sand by Office of Conservation Order No. 164, effective March 31, 1949.
2. To dissolve the unit shown on an attached plat and designated FEAZEL RB SUA, created for the Feazel Sand, Reservoir B, by Office of Conservation Order No. 164-L-4, effective July 23, 1982.
3. To dissolve the unit shown on an attached plat and designated MCV RA SUA, created for the Middle Cotton Valley Zone, Reservoir A, by Office of Conservation Order No. 164-DD, effective March 12, 2002.

4. To dissolve the units shown on an attached plat and designated U HOSS SUI, M HOSS SUI and L HOSS SUI, created for the Upper, Middle and Lower Hosston Zones by Office of Conservation Order No. 164-O, effective September 1, 1964.

The Bodcaw Sand in the Ruston Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 164, effective March 31, 1949.

The Feazel Sand, Reservoir B, in the Ruston Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 164-L-4, effective July 23, 1982.

The Middle Cotton Valley Zone, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 164-DD, effective March 12, 2002.

The Upper, Middle and Lower Hosston Zones in the Ruston Field, Lincoln Parish, Louisiana, were defined in Office of Conservation Order No. 164-O, effective September 1, 1964.

Vaughn Sand; "D" Sand of the Cotton Valley  
Formation; and Hosston Zone, Reservoir A

1. To dissolve the unit shown on an attached plat and designated VGN SUO, created for the Vaughn Sand by Office of Conservation Order No. 164, effective March 31, 1949.

2. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the Vaughn Sand, such unit being shown on an attached plat. and being designated VGN SUOO.

3. To create one (1) additional drilling and production unit for the exploration for and production of gas and condensate from the "D" Sand of the Cotton Valley Formation, such unit being shown on an attached plat and being designated CV D SUV.

4. To create four (4) additional drilling and production units for the exploration for and production of gas and condensate from the Hosston Zone, Reservoir A, such units being shown on an attached plat and being designated HOSS RA SUB, HOSS RA SUC, HOSS RA SUD and HOSS RA SUE.

5. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed additional units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each tract sharing in unit production on a surface acreage basis of participation.

6. To designate a unit operator of, and unit wells for, the proposed additional units as may be appropriate, and to approve an exception to the spacing provisions of Office of Conservation Order No. 164, effective March 31, 1949, so as to permit the unit well for the proposed unit CVD SUV to be drilled at the location shown on the attached plats.

7. To extend, except as in conflict herewith, to the proposed additional units for the Vaughn Sand and for the "D" Sand of the Cotton Valley Formation, the provisions of Office of Conservation Order No. 164, as amended and supplemented, and of all applicable Statewide Orders.

8. To extend, except as in conflict herewith, to the proposed additional units for the Hosston Zone, Reservoir A, the provisions of Office of Conservation Order No. 164-CC, effective March 12, 2002, and of all applicable Statewide Orders.

9. To consider such other matters as may be pertinent to any of these sands and zones.

The Vaughn Sand and "D" Sand of the Cotton Valley Formation in the Ruston Field, Lincoln Parish, Louisiana, were defined in Office of Conservation Order No. 164, effective March 31, 1949.

The Hosston Zone, Reservoir A, in the Ruston Field, Lincoln Parish, Louisiana, was defined in Office of Conservation Order No. 164-CC, effective March 12, 2002.

Cotton Valley Zone  
Reservoir B

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the Cotton Valley Formation, Reservoir B.

2. To create five (5) drilling and production units for the exploration for and production of gas and condensate from the Cotton Valley Zone, Reservoir B, such units being shown on an attached plat and being designated CV RB SUA through CV RB SUE.

3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.

4. To designate an operator of, and unit wells for, the proposed units as may be appropriate.

5. To propose that future wells drilled to the Cotton Valley Zone, Reservoir B, within or outside of the units proposed herein, be located in accordance with the spacing provisions of Statewide Order No. 29-E.

6. To permit applicant to combine downhole production from the Hosston Zone, Reservoir A, and from the Cotton Valley Zone, Reservoir B, in any well drilled on the identical units for these zones in which the interests of the parties are identical in each unit.

7. To define the Cotton Valley Zone, Reservoir B, as the stratigraphic equivalent of that interval encountered between the measured depths of 8,180 feet and 11,957 feet in the Devon Energy Production Co. (formerly Arkla Exploration)--J H Mathews No. 3 Well, located in Section 29, Township 19 North, Range 2 West, Lincoln Parish, Louisiana, less and except the "D" Sand of the Cotton Valley Zone as to the proposed units CV RB SUA and CV RB SUD, and less and except the Vaughn Sand as to the proposed units CV RB SUB and CV RB SUC, said "D" Sand of the Cotton Valley Zone and Vaughn Sand being defined in Office of Conservation Order No. 164, effective March 31, 1949.

8. To consider such other matters as may be pertinent to the Cotton Valley Zone, Reservoir B.

Any pertinent data concerning this application will be available for inspection at the offices of Louis Gilbert & Associates, Inc., 3636 N. Causeway Blvd., Suite 204, Metairie, Louisiana 70002-7216. Any person wishing to inspect any such data should call Mr. Louis Gilbert at (504) 834-8112 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

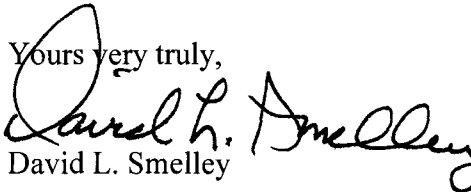
By letter dated July 27, 2007, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these proposals and set August 17, 2007, as the tentative date for the pre-application conference. While a single request for the conference was received, the request was subsequently withdrawn; therefore, no pre-application conference will be held.

Pursuant to the Revised Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of each of the unit plats showing the units proposed to be dissolved and the units proposed to be created (which are identical to the plats attached to the pre-application notice) is enclosed herewith, and a copy of this letter and of each of the attached plats is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties as shown on the attached list.

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Applicant will provide for posting of a copy of the Legal Notice of this hearing, and of the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Ruston Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

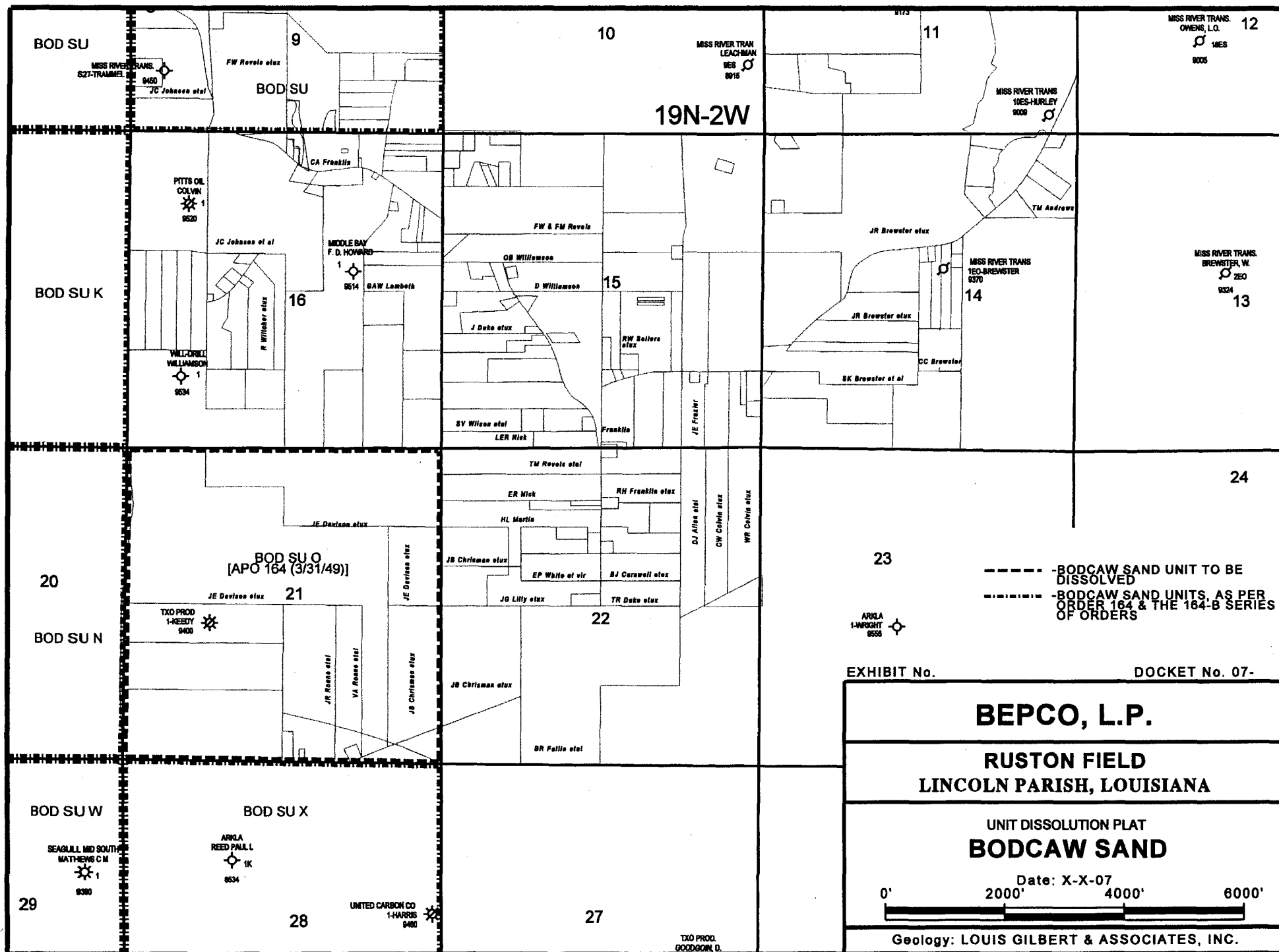
Finally, enclosed herewith is our check payable to the Office of Conservation covering the application fee.

Yours very truly,  
  
David L. Smelley

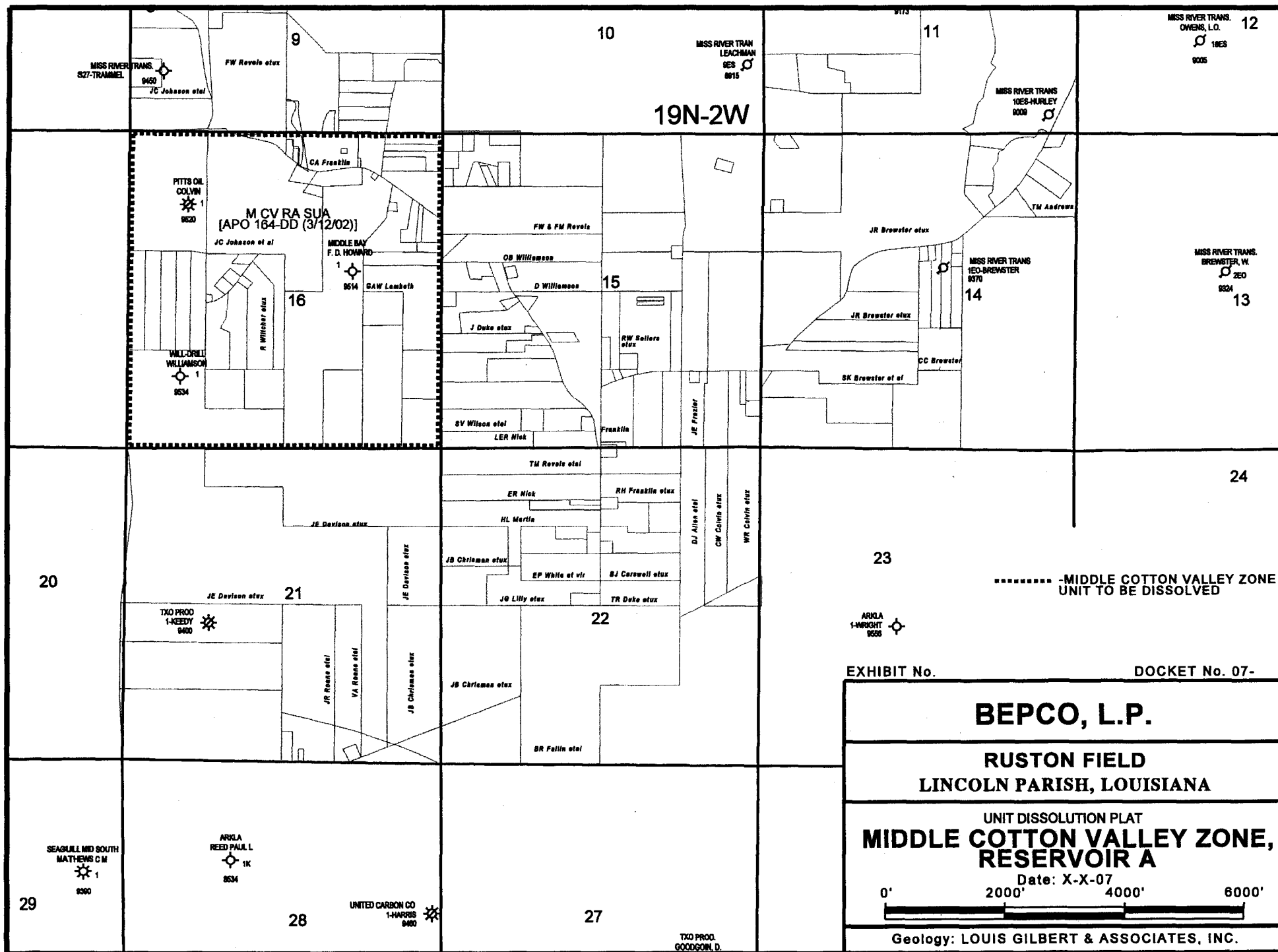
--- Attorney for Bepco, L.P.

DLS:dp  
Enclosures

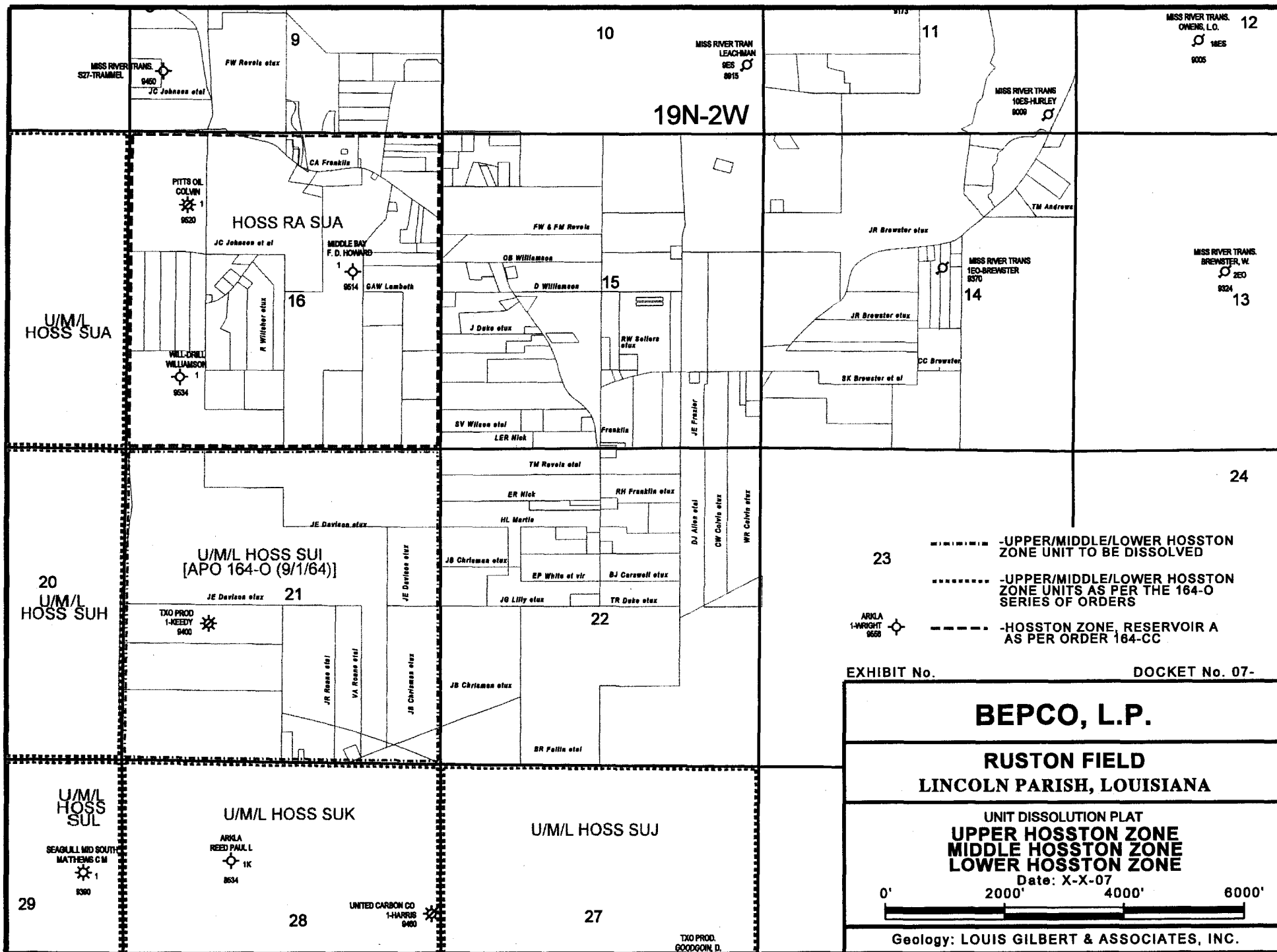
cc: Mr. Jim Broussard (w/encls.)  
Mr. Brad Glasscock (w/encls.)  
Mr. Peter Davis (w/encls.)  
Mr. Louis Gilbert(w/encls.)  
Interested Owners, Represented Parties  
and Interested Parties (w/plats only)

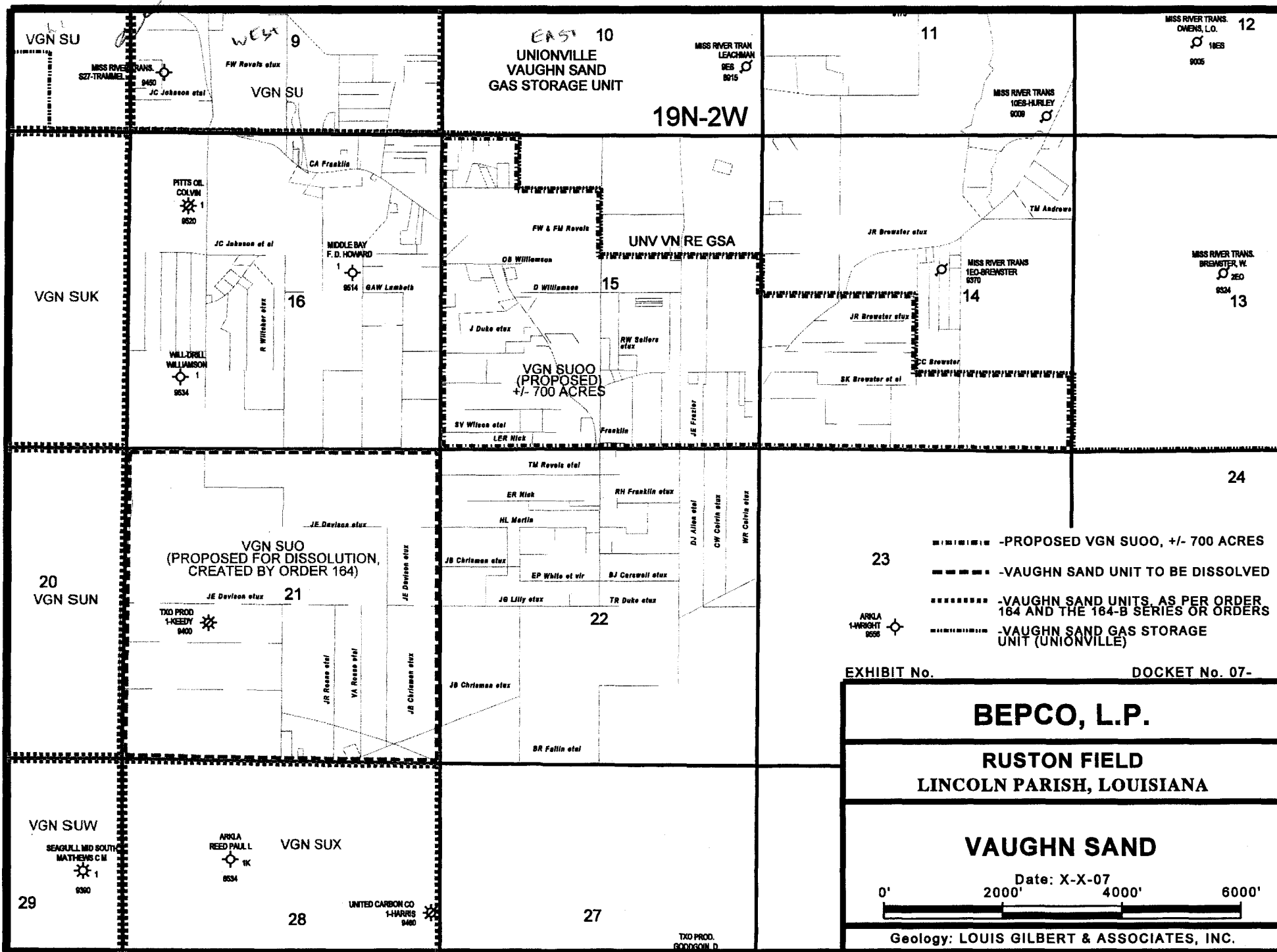


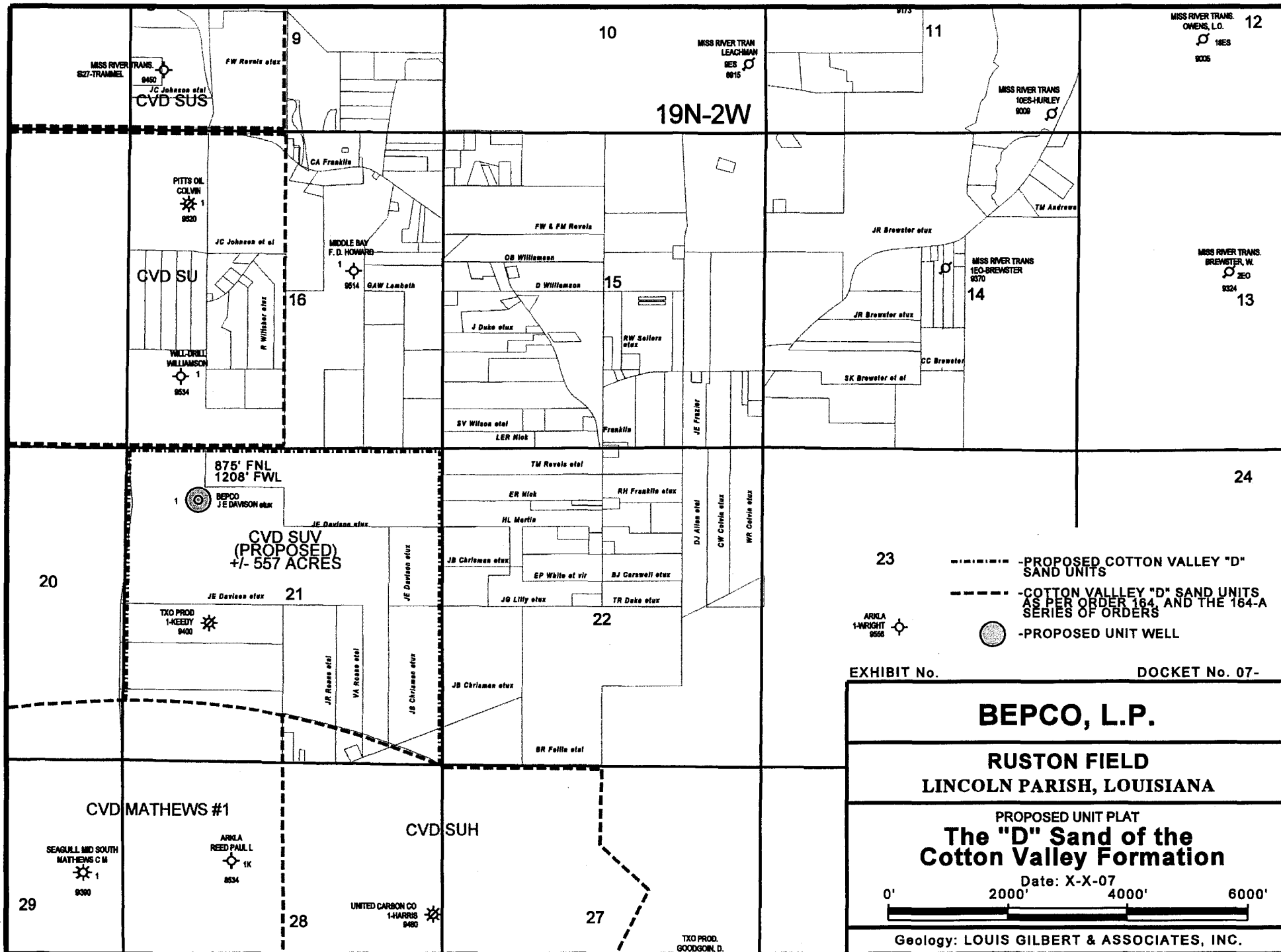












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| <b>BEPCO, L.P.</b>  |  |
| <b>RUSTON FIELD</b><br>LINCOLN PARISH, LOUISIANA                                      |  |
| PROPOSED UNIT PLAT<br><b>The "D" Sand of the<br/>         Cotton Valley Formation</b> |  |
| Date: X-X-07  |  |
|   |  |
| Geology: LOUIS GILBERT & ASSOCIATES, INC.   |  |

